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Cotton Marketing Quotas for 1955

U. S. DEPARTMENT OF AGRICULTURE

In a national referendum, on December 14, 1954, upland cotton producers will decide whether or not marketing quotas will be in effect for the 1955 crop.

The Secretary of Agriculture has proclaimed quotas, as required by law, but they cannot be continued for 1955 unless approved by at least two-thirds of the farmers voting in the referendum.

If approved, quotas will apply to all farms growing upland cotton in 1955—and price support for eligible growers will be available at a level between 82½ and 90 percent of parity, depending on the supply.

If quotas are not approved, they will not be in effect for 1955—and price support will be available for eligible growers at 50 percent of parity.

Marketing quotas on upland cotton must be proclaimed when the “total supply” (carryover plus current crop plus imports) exceeds the “normal supply” (expected domestic consumption and exports plus a 30-percent reserve). Prospective supplies for 1954-55 marketing year are estimated at 21.5 million running bales, which is 3.8 million bales above the normal supply of 17.7 million bales.

The quota for 1955 crop upland cotton is 10 million bales (standard bales of 500 pounds gross weight). Converted to acreage, the quota provides a national acreage allotment of 18,113,208 acres, based on a national average yield for the 5 years 1949-53, inclusive.

Marketing quotas on extra long staple cotton have also been proclaimed, and a referendum among growers in designated counties will also be held on December 14, 1954.

Questions and Answers—Upland Cotton

1. *How will the upland cotton referendum be held and who can vote?*

There will be a vote by secret ballot in each county where upland cotton is grown. All farmers who grew upland cotton in 1954 are eligible to vote. Any farmer who is in doubt about his voting eligibility or has other questions should check with his county Agricultural Stabilization and Conservation Committee, which will be in general charge of the referendum.

2. *What is the farm marketing quota for 1955 upland cotton?*

If the acreage of cotton on the farm in 1955 does not exceed the farm acreage allotment, the farm marketing quota is the entire production of cotton on the farm. If the acreage of cotton on the farm is in excess of the farm acreage allotment, the farm marketing quota will be the total production of cotton on the farm less the "farm marketing excess."

3. *How is the farm marketing excess determined?*

The farm marketing excess will be the normal yield per acre, established for the farm, multiplied by the acreage of cotton on the farm in excess of the allotment. If the producer, in accordance with regulations, establishes promptly after harvest that the actual yield per acre for the farm is less than the normal yield, the county ASC committee will reduce the amount of the farm marketing excess.

4. *Will the farmer who has overplanted be permitted to adjust the acreage planted to cotton to the farm acreage allotment?*

Yes; the Secretary will issue regulations under which such adjustment may be made.

5. *What is the amount of the penalty for upland cotton on the farm marketing excess?*

The penalty per pound will be 50 percent of the cotton parity price as of June 15, 1955. (The penalty rate for 1954 was 17.5 cents per pound.)

6. *How will the penalty be collected?*

The producer may pay the penalty to the county committee and get a marketing card or a marketing certificate. If he does not do this, the person who buys the cotton from the farmer must collect the penalty and pay it to the county ASC committee for transfer to the United States Treasurer.

7. After the penalty has been paid on the farm marketing excess for a farm, is the producer liable for further penalty?

No; after the penalty is paid to the county committee, the farmer will receive a marketing card or a marketing certificate, which entitles him to market his crop without paying further penalty. Until the penalty is paid, a lien on the entire crop of upland cotton produced on the farm shall be in effect in favor of the United States.

8. What happens if the penalty is not paid when due?

- (a) No marketing card will be issued for the farm until the penalty on the farm marketing excess is paid.
- (b) Action to collect the penalty from the producer or person liable for payment may be taken through the courts.
- (c) The producer will be liable also for interest on the penalty at the rate of 6 percent per annum from the date the penalty becomes due until it is paid. If cotton is marketed without being properly identified by a marketing card or a marketing certificate and the penalty is not remitted by the buyer, the buyer will be liable for the penalty and for interest thereon from the date of his purchase of the cotton.

9. What makes a farm eligible for a 1955 cotton acreage allotment?

- (a) If cotton was planted on the farm during any of the years, 1952, 1953, or 1954, the farm is entitled to a cotton allotment as an "old cotton farm."
- (b) If no cotton was planted on the farm during any of the years, 1952, 1953, or 1954, and the operator desires a cotton allotment for the farm in 1955, the operator of the farm (or the owner if there is no operator) must file an application with the county ASC committee not later than an established closing date for consideration of an allotment as a "new cotton farm."

10. How are allotments established for farms?

The law and regulations provide two methods for computing basic allotments for "old cotton farms." A county ASC committee may use either of the following methods in determining basic farm allotments in the county:

- (a) By applying to the cropland on the farm, excluding certain crops specified by law, a uniform county cropland percentage. The law provides minimum and maximum allotments based on the largest acreage planted to cotton during 1952, 1953, or 1954, whenever this method is used.

(b) By applying to the average acreage planted to cotton on the farm for the 3 years, 1952, 1953, and 1954, adjusted where necessary for abnormal conditions affecting planting, a uniform county percentage based on the average acreage planted to cotton on all farms in the county for the 3 years, 1952, 1953, and 1954. Where the county ASC committee elects to use this method it may also elect to establish minimum farm allotments based on the largest acreage planted to cotton in 1952, 1953, or 1954, or to establish maximum farm allotments based on 50 percent of the cropland on the farm, or both.

The county ASC committee under either method may use up to 15 percent of the county allotment to adjust basic allotments for "old cotton farms" and to establish allotments for "new cotton farms."

11. If a producer is dissatisfied with his farm acreage allotment, may he appeal?

Yes; within 15 days after the mailing of his allotment notice by the county ASC committee, any farmer may ask for a review of his case. A review committee of three farmers, appointed by the Secretary of Agriculture, will receive the evidence and decide whether the allotment was established in accordance with the regulations. If the farmer is not satisfied with the review committee's decision, he may, within 15 days, institute proceedings for a review of the case by a court.

12. Can a person who will operate two or more farms in 1955 plant all or a part of the allotment assigned by the county ASC committee to one such farm on another of his farms?

No. Cotton allotments are established for specific farms and not assigned to individuals; therefore, allotments cannot be transferred by the farm operator from one farm to another.

13. What action should a person take who receives an allotment notice for a farm which he operated in 1954 or a prior year but which he will not operate in 1955?

He should promptly return the notice to the county ASC committee which sent the notice and give the name of the 1955 operator, if known.

For answers to other questions see your County Agricultural Stabilization and Conservation Committee

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